

AMENDED IN ASSEMBLY APRIL 28, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 619

Introduced by Assembly Member Briggs

February 19, 1999

An act to ~~amend Sections 11758.41, 11758.42, and 11880 of,~~
~~and to add Section 11883 to,~~ the Health and Safety Code,
relating to drug treatment programs.

LEGISLATIVE COUNSEL'S DIGEST

AB 619, as amended, Briggs. Drug treatment programs.

Under existing law, the State Department of Health Services is responsible for licensing narcotic treatment programs to use replacement narcotic therapy in the treatment of addicted persons whose addiction was acquired or supported by the use of a narcotic drug or drugs, not in compliance with a physician and surgeon's legal prescription.

Existing law regulates the provision of medical services by professional medical corporations through employees who are licensed to render those professional services.

Existing law provides for the Medi-Cal Drug Treatment Program, under which each county enters into contracts with the State Department of Alcohol and Drug Programs for the provision of various drug treatment services to Medi-Cal recipients or the department directly arranges for the provisions of these services if a county elects not to do so.

Existing law provides for the adoption of regulations by the State Department of Alcohol and Drug Programs for the

implementation of the Medi-Cal Drug Treatment Program and requires the department to review those regulations.

This bill would state the intent of the Legislature that the department modify regulations in effect January 1, 2000, to expand the range of services allowed within the narcotic treatment programs.

Existing law provides for reimbursement for narcotic replacement therapy dosing and ancillary services provided by narcotic treatment programs, and limits reimbursement for narcotic treatment program services to those services specified in state law and state and federal regulations governing the licensing and administration of narcotic treatment programs.

This bill would authorize Fresno County to implement a narcotic treatment program with an expanded range of services.

This bill would revise the scope of those services for which reimbursement may be made under *the* narcotic treatment ~~programs~~ *program authorized by this bill.*

~~Existing law provides for licensing narcotic treatment programs, and states the intent of the Legislature in licensing narcotic treatment programs to provide a means whereby the patient may be rehabilitated and will no longer need to support a dependency on heroin.~~

~~This bill would revise that statement of intent to include any opiate, including methadone, within the scope of the statement of intent regarding the purpose of the program.~~

This bill would require the department to revise regulations regarding the licensing of drug treatment programs to expand the range of services provided under narcotic treatment programs *in Fresno County pursuant to the program authorized by this bill.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 11758.41 of the Health and~~
2 ~~Safety Code is amended to read:~~

1 ~~11758.41. (a) It is the intent of the Legislature that~~
2 ~~the department, in consultation with narcotic treatment~~
3 ~~program providers, county alcohol and drug program~~
4 ~~administrators, the California Society of Addiction~~
5 ~~Medicine, and organizations advocating on behalf of~~
6 ~~Medi-Cal beneficiaries, no later than January 1, 2000,~~
7 ~~review and modify, existing regulations in effect January~~
8 ~~1, 2000, to expand the range of services allowed within the~~
9 ~~narcotic treatment programs.~~

10 ~~(b) Based on the modifications, described pursuant to~~
11 ~~subdivision (a), the department and the State~~
12 ~~Department of Health Services shall commence~~
13 ~~rulemaking proceedings, in order to adopt, amend, or~~
14 ~~repeal regulations, as needed.~~

15 ~~SEC. 2. Section 11758.42 of the Health and Safety~~
16 ~~Code is amended to read:~~

17 ~~11758.42. (a) For purposes of this chapter, "LAAM"~~
18 ~~means levoalphacetylmethadol.~~

19 ~~(b) (1) The department shall establish a narcotic~~
20 ~~replacement therapy dosing fee for methadone and~~
21 ~~LAAM.~~

22 ~~(2) In addition to the narcotic replacement therapy~~
23 ~~dosing fee provided for pursuant to paragraph (1),~~
24 ~~narcotic treatment programs shall be reimbursed for the~~
25 ~~ingredient costs of methadone or LAAM dispensed to~~
26 ~~Medi-Cal beneficiaries. These costs may be determined~~
27 ~~on an average daily dose of methadone or LAAM, as set~~
28 ~~forth by the department, in consultation with the State~~
29 ~~Department of Health Services.~~

30 ~~(c) Reimbursement for narcotic replacement therapy~~
31 ~~dosing and ancillary services provided by narcotic~~
32 ~~treatment programs shall be based on a per capita~~
33 ~~uniform statewide monthly reimbursement rate for each~~
34 ~~individual patient, as established by the department, in~~
35 ~~consultation with the State Department of Health~~
36 ~~Services. The uniform statewide monthly reimbursement~~
37 ~~rate for ancillary services shall be based upon, where~~
38 ~~available and appropriate, and shall not exceed, for~~
39 ~~individual services or in the aggregate, the outpatient~~
40 ~~rates for the same or similar services under the~~

1 fee-for-service Medi-Cal program. In establishing the
2 uniform statewide monthly rate, the department shall
3 also utilize the rate studies completed pursuant to Section
4 54 of Assembly Bill 3483 of the 1995-96 Regular Session of
5 the Legislature. The uniform statewide monthly
6 reimbursement rate shall be established after
7 consultation with narcotic treatment program providers
8 and county alcohol and drug program administrators and
9 shall be updated every two years, in consultation with
10 narcotic treatment program providers and county
11 alcohol and drug program administrators.

12 (d) Reimbursement for narcotic treatment program
13 services shall be limited to those services specified in state
14 law and state and federal regulations governing the
15 licensing and administration of narcotic treatment
16 programs. These services shall include, but are not
17 limited to, all of the following:

18 (1) Admission, physical evaluation, and diagnosis.

19 (2) Drug screening.

20 (3) Pregnancy tests.

21 (4) Narcotic replacement therapy dosing.

22 (5) Intake assessment, utilizing the Addiction Severity
23 Index, treatment planning, and counseling services. The
24 counseling component of the narcotic treatment
25 programs shall be consistent with Section 11758.46,
26 including, but not limited to, paragraph (2) of subdivision
27 (a) of Section 11758.46 relative to day care habilitative
28 services and paragraph (5) of subdivision (a) of Section
29 11758.46 relative to outpatient drug-free services.
30 Reimbursement for the counseling component shall be
31 consistent with the free-standing services that are not
32 associated with narcotic treatment programs. Additional
33 outcomes shall be addressed through regulations adopted
34 by the department in consultation with narcotic
35 treatment program providers, county alcohol and drug
36 program administrators, and organizations advocating on
37 behalf of Medi-Cal beneficiaries. For purposes of this
38 paragraph, these services include, but are not limited to,
39 substance abuse services to pregnant and postpartum
40 Medi-Cal beneficiaries.

~~(c) (1) Reimbursement under this section shall be limited to claims for narcotic treatment program services at the uniform statewide monthly reimbursement rate for these services. These rates shall be exempt from the requirements of Section 14021.6 of the Welfare and Institutions Code. Reimbursement shall include narcotic replacement therapy dosing, outpatient and day care habilitative services provided by the narcotic treatment program. For the purposes of this paragraph, these services include, but are not limited to, substance abuse services to pregnant and postpartum Medi-Cal beneficiaries. Reimbursement for outpatient and day care habilitative services to the narcotic treatment programs shall be continued per a physician's orders after a patient has discontinued narcotic treatment therapy dosing.~~

~~(2) Maintenance or detoxification services, in conjunction with either day care habilitative or outpatient treatment services that are reimbursed by the Drug Medi-Cal program, may be billed for same day services and the program or programs shall be reimbursed for both levels of service, regardless of the provider.~~

~~(f) Reimbursement to narcotic treatment program providers shall be limited to the lower of either the uniform statewide monthly reimbursement rate, pursuant to subdivision (c), or the provider's usual and customary charge to the general public for the same or similar service.~~

~~(g) Reimbursement for narcotic treatment program services provided by narcotic treatment program providers shall, if the patient receives less than a full month of services, be prorated to the daily cost per patient, based on the annual cost per patient and a 365-day year. No program shall be reimbursed for services not rendered to or received by a patient of a narcotic treatment program.~~

~~(h) Reimbursement for narcotic treatment program services provided to substance abusers shall be administered by the department and counties electing to~~

1 ~~participate in the program. Utilization and payment for~~
2 ~~these services shall be subject to federal medicaid and~~
3 ~~state utilization and audit requirements.~~

4 ~~SEC. 3. Section 11880 of the Health and Safety Code~~
5 ~~is amended to read:~~

6 ~~11880. It is the intent of the Legislature in licensing~~
7 ~~narcotic treatment programs to provide a means~~
8 ~~whereby the patient may be rehabilitated and will no~~
9 ~~longer need to support a dependency on any opiate~~
10 ~~substance, including methadone. It is, therefore, the~~
11 ~~intent of the Legislature that each narcotic treatment~~
12 ~~program shall have a strong rehabilitative element,~~
13 ~~including, but not limited to, individual and group~~
14 ~~therapy, counseling, vocational guidance, and job and~~
15 ~~education counseling. The Legislature declares the~~
16 ~~ultimate goal of all narcotic treatment programs shall be~~
17 ~~to aid the patient in altering his or her lifestyle and~~
18 ~~become drug-free by eliminating all dependency on~~
19 ~~drugs, including methadone.~~

20 ~~The department and the State Department of Health~~
21 ~~Services shall promulgate, and adopt, amend, or repeal~~
22 ~~regulations necessary as needed under this article.~~

23 ~~SEC. 4.—~~

24 ~~SECTION 1. Section 11883 is added to the Health and~~
25 ~~Safety Code, to read:~~

26 ~~11883. (a) The department, in consultation with~~
27 ~~narcotic treatment program providers, county alcohol~~
28 ~~and drug program administrators, the California Society~~
29 ~~of Addiction Medicine, and organizations advocating on~~
30 ~~behalf of Medi-Cal beneficiaries, shall modify regulations~~
31 ~~in effect on the effective date of this section no later than~~
32 ~~January 1, 2000, to provide greater flexibility on the~~
33 ~~county level and to expand the range of services allowed~~
34 ~~within the narcotic treatment ~~programs~~ program~~
35 ~~implemented pursuant to this section by Fresno County,~~
36 ~~upon approval of the Board of Supervisors of Fresno~~
37 ~~County.~~

38 ~~(b) Consistent with Sections 11758.40 and 11758.43,~~
39 ~~any county that chooses Fresno County may choose to~~
40 ~~administer the Drug Medi-Cal program pursuant to this~~

1 *section, the county* shall have the following duties and
2 responsibilities:

3 (1) To choose the narcotic treatment program or
4 programs that operate within that county.

5 (2) To develop and implement a utilization review
6 process that shall include, but not be limited to, all of the
7 following:

8 (A) Existing federal requirements and guidelines of
9 utilization review standards for narcotic treatment
10 programs.

11 (B) The option to retain the services of one or more
12 independent licensed physicians who are either certified
13 by the American Society of Addiction Medicine or
14 board-certified in addictionology in their field of practice.
15 The physician or physicians retained by the county shall
16 provide an annual review of all narcotic treatment
17 program clients and, if medical necessity exists,
18 recertification for continued treatment. This physician
19 shall have the responsibility for the course of treatment
20 for any narcotic treatment program client who is referred
21 to the program by CalWORKs, Child Protective Services,
22 Mental Health, Probation, Drug Court, Public Health
23 Nursing, Adult Protective Services, or any other county
24 agency.

25 (3) To choose the array of services delivered by the
26 narcotic treatment programs and to determine the
27 length of stay in each component consistent with existing
28 federal guidelines.

29 (4) To determine the Drug Medi-Cal rate of
30 reimbursement for each component based on historical,
31 county-specific financial data, consistent with applicable
32 federal guidelines.

33 (5) The following services shall be reimbursed with or
34 without receipt of narcotic replacement therapy dosing:

35 (A) Outpatient.

36 (B) Day care habilitative.

37 (C) Other services negotiated between the
38 department and the county that are determined to be in
39 the best interest of the narcotic treatment program
40 clients within the county.

(6) Methadone detoxification shall be available to the residents of ~~California~~ Fresno County, if the county chooses to implement the program authorized by this section. The duration of these services shall be consistent with federal guidelines, which allow for a maximum of 180 days in treatment. Clients shall have available outpatient and day care habilitative services before, during, and after the completion of their narcotic replacement therapy dosing.

~~(7)~~

(c) (1) The uniform statewide monthly reimbursement rate for the narcotic replacement therapy dosing fee shall apply to the reimbursement of providers under Section 11758.42.

(2) The uniform statewide monthly reimbursement rate shall be established after consultation with narcotic treatment program providers and Fresno County alcohol and drug program administrators and shall be updated every two years, in consultation with narcotic treatment program providers and county alcohol and drug program administrators.

(d) Reimbursement for narcotic treatment program services under this section shall be limited to those services specified in state law and state and federal regulations governing the licensing and administration of narcotic treatment programs. These services shall include, but are not limited to, all of the following:

(1) Admission, physical evaluation, and diagnosis.

(2) Drug screening.

(3) Pregnancy tests.

(4) Narcotic replacement therapy dosing.

(5) Intake assessment, utilizing the Addiction Severity Index, treatment planning, and counseling services. The counseling component of the narcotic treatment programs shall be consistent with Section 11758.46, including, but not limited to, paragraph (2) of subdivision (a) of Section 11758.46 relative to day care habilitative services and paragraph (5) of subdivision (a) of Section 11758.46 relative to outpatient drug-free services. Reimbursement for the counseling component shall be

1 consistent with the free-standing services that are not
2 associated with narcotic treatment programs. Additional
3 outcomes shall be addressed through regulations adopted
4 by the department in consultation with narcotic
5 treatment program providers, county alcohol and drug
6 program administrators, and organizations advocating on
7 behalf of Medi-Cal beneficiaries. For purposes of this
8 paragraph, these services include, but are not limited to,
9 substance abuse services to pregnant and postpartum
10 Medi-Cal beneficiaries.

11 (e) (1) Reimbursement under this section shall be
12 limited to claims for narcotic treatment program services
13 at the uniform statewide monthly reimbursement rate
14 for these services. These rates shall be exempt from the
15 requirements of Section 14021.6 of the Welfare and
16 Institutions Code. Reimbursement shall include narcotic
17 replacement therapy dosing, outpatient and day care
18 habilitative services provided by the narcotic treatment
19 program. For the purposes of this paragraph, these
20 services include, but are not limited to, substance abuse
21 services to pregnant and postpartum Medi-Cal
22 beneficiaries. Reimbursement for outpatient and day
23 care habilitative services to the narcotic treatment
24 programs shall be continued per a physician's orders after
25 a patient has discontinued narcotic treatment therapy
26 dosing.

27 (2) Maintenance or detoxification services, in
28 conjunction with either day care habilitative or
29 outpatient treatment services that are reimbursed by the
30 Medi-Cal program, may be billed for same-day services
31 and the program or programs shall be reimbursed for
32 both levels of service, regardless of the provider.

33 (f) Reimbursement to narcotic treatment program
34 providers pursuant to this section shall be limited to the
35 lower of either the uniform statewide monthly
36 reimbursement rate, pursuant to subdivision (c), or the
37 provider's usual and customary charge to the general
38 public for the same or similar service.

39 (g) Reimbursement for narcotic treatment program
40 services provided pursuant to this section to narcotic

1 treatment program providers shall, if the patient receives
2 less than a full month of services, be prorated to the daily
3 cost per patient, based on the annual cost per patient and
4 a 365-day year. No program shall be reimbursed for
5 services not rendered to or received by a patient of a
6 narcotic treatment program.

7 (h) Reimbursement for narcotic treatment program
8 services provided to substance abusers pursuant to this
9 section shall be administered by the department and
10 Fresno County, if it elects to participate in the program
11 authorized by this section. Utilization and payment for
12 these services shall be subject to federal medicaid and
13 state utilization and audit requirements.

14 (i) Based on the modifications, described pursuant to
15 subdivision (a), the department and the State
16 Department of Health Services shall commence
17 rulemaking proceedings, in order to adopt, amend, or
18 repeal regulations, as needed.

19 ~~SEC. 5.—~~

20 SEC. 2. The State Department of Health Services
21 shall, in consultation with narcotic treatment program
22 providers, appropriate county alcohol and drug program
23 administrators, the California Society of Addiction
24 Medicine, and organizations advocating on behalf of
25 Medi-Cal beneficiaries, not later than January 1, 2000,
26 review and modify existing regulations in effect on
27 January 1, 2000, to expand the range of services allowed
28 within the narcotic treatment program implemented
29 pursuant to this act.

30 SEC. 3. The State Department of Alcohol and Drug
31 Programs may adopt regulations to implement this act in
32 accordance with the Administrative Procedure Act,
33 provided for pursuant to Chapter 3.5 (commencing with
34 Section 11340) of Part 1 of Division 3 of Title 2 of the
35 Government Code. The initial adoption of any
36 emergency regulations implementing this act shall be
37 deemed to be an emergency and necessary for the
38 immediate preservation of the public peace, health and
39 safety, or general welfare. Emergency regulations

1 adopted pursuant to this section shall remain in effect for
2 no more than 180 days.

O

